

SUPERIOR COURT OF ARIZONA  
MARICOPA COUNTY

03/08/2005

CLERK OF THE COURT  
FORM V000

**GEORGE A. SCHADE, JR., SPECIAL  
MASTER**

T. A. Pavia/M. L. Smith

**CONTESTED CASE NO. W1-11-605**

**FILED: March 30, 2005**

**IN RE THE GENERAL ADJUDICATION OF  
ALL RIGHTS TO USE WATER IN THE  
GILA RIVER SYSTEM AND SOURCE**

IN RE FORT HUACHUCA

10:25 a.m. This is the date and time set for a Status Conference. Present are Janet L. Ronald and Richard Burtell for Arizona Department of Water Resources, R. Lee Leininger for U.S. Dept of Justice, Mark A. McGinnis for Salt River Project, James Callahan for City of Phoenix, William H. Anger for Cities of Mesa, Chandler, Scottsdale and Glendale, Charles Cahoy for City of Mesa, Cynthia Haglin for the City of Chandler, William P. Sullivan for City of Sierra Vista and Bella Vista Group, Lauren J. Caster and Thomas Wilmoth for ASARCO Inc. and Arizona Water Company. L. William Staudenmaier for APS, Phelps Dodge Corp. and RWCD, Graham M. Clark, Jr., Assistant Attorney General for Arizona State Land Department, John Ryley for San Carlos Apache Tribe, and Dan Haws for Fort Huachuca. Also present is Kathy Dolge, Judicial Assistant.

Patty Connolly, Court Reporter, is present.

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Discussion is held regarding the status of this contested case. The Court advises the parties that the Court's position on settlement is a very strict hands off policy.

No objections to Arizona Water Company's Motion to Intervene have been filed. Therefore, IT IS ORDERED granting the Motion.

The status of the USGS MODFLOW model is discussed. In response to questions from the Special Master, the United States and ADWR state the model will be helpful for significant diminishment analysis.

Briefing issues are discussed. The United States requests that a determination not be made on certain issues in the abstract. For example, the Special Master can determine that the Fort is entitled to reserved groundwater, but should not determine the amount of groundwater the Fort is entitled to at this time. Mr. Leininger further states that a supplemental hydrographic survey report is not needed for the issues of the federal establishment, intent, need for water, and priority dates.

ADWR is asked to submit a list of published reports of the area. ADWR has already prepared a comprehensive list in a report concerning whether the San Pedro River Watershed should be designated as an active management area, which will be released later today.

Further discussion is held regarding disclosure procedure. The Special Master will look to Arizona Rule of Civil Procedure 26.1 for guidance on disclosure. Disclosure will at least cover the four major issues discussed this morning: Which lands were

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reserved; the precise federal purpose of the reservation; the need for reserved water; and priority.

Discussion is held whether to file summary judgment motions prior to discovery, or to have discovery and then frame the motions thereafter.

The merits of a settlement track are discussed. The suggestion is made that settlement discussions take place after the disclosure process begins.

Further discussion is held regarding a repository of disclosure documents. It is suggested that ADWR will act as custodian. It is further suggested the parties should provide documents in electronic form such as searchable PDF format on CDs.

ADWR is asked what the Department is doing to update mailing lists, backlog of statements of claimants, etc. Ms. Ronald states they are updating the data base, plan to hire additional staff, and are seeking additional funding.

The Special Master will take under consideration the discovery process and issue further directives.

12:01 p.m. Matter concludes.

A copy of this minute entry is mailed to all parties on the Court-approved W1-11-605 mailing list dated October 21, 2004, and to Arizona Water Company c/o Fennemore Craig.